

HOUSE BILL 1122

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2001 Regular Session  
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By: **Delegates Bohanan, Owings, Hixson, Conroy, and O'Donnell O'Donnell, Bartlett, Carlson, Crvor, C. Davis, Healey, Heller, Marriott, Phillips, Rudolph, and Shriver**

Introduced and read first time: February 9, 2001  
Assigned to: Ways and Means

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Committee Report: Favorable with amendments  
House action: Adopted  
Read second time: March 21, 2001

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Property Tax - Surviving Spouse of Active Military Who Died in Line of Duty**

3 FOR the purpose of providing an exemption from property tax under certain  
4 circumstances for a dwelling house owned by a surviving spouse of ~~a veteran~~ an  
5 individual who died in line of duty; defining a certain term; repealing certain  
6 authority for a county or municipal corporation to grant a certain property tax  
7 credit for a dwelling owned by a surviving spouse of ~~a veteran~~ an individual who  
8 died in line of duty; providing for the application of this Act; making technical  
9 changes; and generally relating to an exemption from property tax under certain  
10 circumstances for a dwelling house owned by a surviving spouse of ~~a veteran~~ an  
11 individual who died in line of duty.

12 BY repealing and reenacting, with amendments,  
13 Article - Tax - Property  
14 Section 7-208  
15 Annotated Code of Maryland  
16 (1994 Replacement Volume and 2000 Supplement)

17 BY repealing  
18 Article - Tax - Property  
19 Section 9-218  
20 Annotated Code of Maryland  
21 (1994 Replacement Volume and 2000 Supplement)

1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
2 MARYLAND, That the Laws of Maryland read as follows:

3 **Article - Tax - Property**

4 7-208.

5 (a) (1) In this section the following words have the meanings indicated.

6 (2) "Disabled veteran" means an individual who:

7 (i) is honorably discharged or released under honorable  
8 circumstances from active service in any branch of the armed forces; and

9 (ii) has been declared by the Veterans' Administration to have a  
10 permanent 100% service connected disability that results from blindness or other  
11 disabling cause that:

12 1. is reasonably certain to continue for the life of the veteran;

13 and

14 2. was not caused or incurred by misconduct of the veteran.

15 (3) "Dwelling house":

16 (i) means real property that is:

17 1. the legal residence of a disabled veteran or a surviving

18 spouse; and

19 2. occupied by not more than 2 families; and

20 (ii) includes the lot or curtilage and structures necessary to use the  
21 real property as a residence.

22 (4) "Surviving spouse" means [the] A surviving spouse, WHO HAS NOT  
23 REMARRIED, of:

24 (I) a disabled veteran [if the surviving spouse has not remarried];

25 OR

26 (II) ~~A VETERAN AN INDIVIDUAL~~ WHO DIED IN LINE OF DUTY.

27 (5) ~~"VETERAN INDIVIDUAL WHO DIED IN LINE OF DUTY" MEANS A~~  
28 ~~VETERAN AN INDIVIDUAL~~ WHO DIED WHILE IN THE ACTIVE MILITARY, NAVAL, OR AIR  
29 SERVICE OF THE UNITED STATES AS A RESULT OF AN INJURY OR DISEASE THAT IS  
30 DEEMED UNDER 38 U.S.C. § 105 TO HAVE BEEN INCURRED IN LINE OF DUTY.

31 (b) Except as provided in subsection (e) of this section, a dwelling house is  
32 exempt from property tax if:

1 (1) the dwelling house is owned by:

2 (i) a disabled veteran;

3 (II) A SURVIVING SPOUSE OF ~~A VETERAN~~ AN INDIVIDUAL WHO  
4 DIED IN LINE OF DUTY, IF:

5 1. THE DWELLING HOUSE WAS OWNED BY THE ~~VETERAN~~  
6 INDIVIDUAL AT THE TIME OF THE ~~VETERAN'S~~ INDIVIDUAL'S DEATH;

7 2. THE DWELLING HOUSE WAS ACQUIRED BY THE  
8 SURVIVING SPOUSE WITHIN 2 YEARS OF THE ~~VETERAN'S~~ INDIVIDUAL'S DEATH, IF  
9 THE ~~VETERAN~~ INDIVIDUAL OR THE SURVIVING SPOUSE WAS DOMICILED IN THE  
10 STATE AS OF THE DATE OF THE ~~VETERAN'S~~ INDIVIDUAL'S DEATH; OR

11 3. THE DWELLING HOUSE WAS ACQUIRED AFTER THE  
12 SURVIVING SPOUSE QUALIFIED FOR EXEMPTION FOR A FORMER DWELLING HOUSE  
13 UNDER ITEM 1 OR 2 OF THIS ITEM, TO THE EXTENT OF THE PREVIOUS EXEMPTION; or

14 [(ii)] (III) a surviving spouse OF A DISABLED VETERAN who meets  
15 the requirements of subsection (c) of this section; and

16 (2) the application requirements of subsection (d) of this section are met.

17 (c) Except as provided in subsections (d) and (e) of this section, after a  
18 disabled veteran dies, the surviving spouse OF THE DISABLED VETERAN shall receive  
19 a disabled veteran's property tax exemption:

20 (1) for the dwelling house that was formerly owned by the disabled  
21 veteran:

22 (i) if the dwelling house received an exemption under this section;  
23 and

24 (ii) if the surviving spouse owns and resides in the dwelling house;

25 (2) for the dwelling house that was formerly occupied by the disabled  
26 veteran:

27 (i) if the dwelling house did not receive an exemption under this  
28 section;

29 (ii) if the disabled veteran was domiciled in the State at death; and

30 (iii) if the surviving spouse owns and resides in the dwelling house;  
31 and

32 (3) for a dwelling house subsequently acquired by the surviving spouse,  
33 equal to the exemption for the former dwelling house when the dwelling house owned  
34 by the surviving spouse was transferred by the surviving spouse:

1 (i) if the surviving spouse owns and resides in the subsequently  
2 acquired dwelling house; and

3 (ii) if the surviving spouse has qualified under item (1) or (2) of this  
4 subsection.

5 (d) (1) A disabled veteran or a surviving spouse OF A DISABLED VETERAN  
6 shall apply for an exemption under this section by providing to the supervisor:

7 (i) a copy of the disabled veteran's discharge certificate from active  
8 service in the armed forces; and

9 (ii) on the form provided by the Department, a certification of the  
10 disabled veteran's disability from the Veterans' Administration.

11 (2) The disabled veteran's certificate of disability may not be inspected  
12 by individuals other than:

13 (i) the disabled veteran; or

14 (ii) appropriate employees of the State, a county, or a municipal  
15 corporation.

16 (3) A SURVIVING SPOUSE OF A AN VETERAN INDIVIDUAL WHO DIED IN  
17 LINE OF DUTY SHALL APPLY FOR AN EXEMPTION UNDER THIS SECTION BY  
18 PROVIDING TO THE SUPERVISOR CERTIFICATION THAT THE VETERAN INDIVIDUAL  
19 DIED WHILE IN ACTIVE SERVICE AS A RESULT OF AN INJURY OR DISEASE INCURRED  
20 IN LINE OF DUTY.

21 (e) (1) Except as provided in paragraph (2) of this subsection, an exemption  
22 under this section shall be granted in addition to any other exemption authorized by  
23 law.

24 (2) An individual may receive an exemption under this section or under  
25 § 7-207 of this subtitle but not under both.

26 (f) An exemption under this section is prorated by the supervisor for any part  
27 of a taxable year that remains after the date in the year when the disabled veteran or  
28 the surviving spouse applies for the exemption.

29 (g) (1) In the taxable years in which an exemption under this section was  
30 authorized but not granted, the governing body of a county or a municipal corporation  
31 may authorize, by law, a refund to an individual described below who receives an  
32 exemption under this section:

33 (i) to a disabled veteran or a surviving spouse for any county  
34 property tax paid; or

35 (ii) to a disabled veteran for any municipal corporation property tax  
36 paid.

1           (2)     A surviving spouse may apply for a refund of county property tax paid  
2 on the dwelling house while the exemption was available, only if the surviving spouse  
3 applies for the exemption during the 3-year period beginning with the calendar year  
4 in which the surviving spouse initially became eligible for an exemption under this  
5 section.

6     (h)     (1)     For the purposes of subsections (f) and (g) of this section, a county or  
7 municipal corporation shall pay to a disabled veteran or surviving spouse interest on  
8 the amount of a refund if:

9                     (i)     the governing body has authorized the refund;

10                    (ii)    the disabled veteran or surviving spouse is eligible and has  
11 applied for the refund; and

12                    (iii)   the county or municipal corporation fails to make the refund  
13 within 60 days after the eligible disabled veteran or surviving spouse has applied for  
14 the refund.

15           (2)     If interest is payable under this subsection:

16                    (i)     the county or municipal corporation shall pay interest at the  
17 rate the county or municipal corporation charges on overdue taxes; and

18                    (ii)    interest shall accrue from the date the application is filed with  
19 the county or municipal corporation.

20     (i)     Each county shall include information on the property tax bill about the  
21 availability of the property tax exemption for disabled veterans AND SURVIVING  
22 SPOUSES authorized under this section.

23 [9-218.

24     (a)     (1)     In this section the following words have the meanings indicated.

25                    (2)     (i)     "Dwelling" means real property that is:

26                             1.     the legal residence of a surviving spouse; and

27                             2.     occupied by not more than 2 families.

28                    (ii)    "Dwelling" includes the lot or curtilage and structures  
29 necessary to use the real property as a residence.

30                    (3)     "Surviving spouse" means the surviving spouse of a veteran who has  
31 not remarried since the death of the veteran.

32                    (4)     "Veteran" means a veteran who died while in the active military,  
33 naval, or air service of the United States as a result of an injury or disease that is  
34 deemed under 38 U.S.C. § 105 to have been incurred in line of duty.

1 (b) The Mayor and City Council of Baltimore City or the governing body of a  
2 county or of a municipal corporation may grant, by law, a property tax credit against  
3 the county or municipal corporation property tax imposed on a dwelling that is owned  
4 by a surviving spouse of a veteran if:

5 (1) the dwelling was owned by the veteran at the veteran's death;

6 (2) the dwelling was acquired by the surviving spouse within 2 years of  
7 the veteran's death, if the veteran or the surviving spouse was domiciled in the State  
8 as of the date of the veteran's death; or

9 (3) the dwelling was acquired after the surviving spouse qualified for a  
10 credit for a former dwelling under item (1) or (2) of this subsection, to the extent of the  
11 previous credit.

12 (c) A county or municipal corporation may provide, by law:

13 (1) that the amount of a property tax credit under this section shall  
14 equal the amount of an exemption under § 7-208 of this article for surviving spouses  
15 of disabled veterans;

16 (2) that the surviving spouse provide certification that the veteran died  
17 while in active service as a result of an injury or disease incurred in line of duty; and

18 (3) for any other provision necessary to carry out this section.]

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
20 ~~July 1, 2001, and shall be applicable to all taxable years beginning on or after July 1,~~  
21 ~~2002. June 1, 2001 and shall be applicable to all taxable years beginning after June~~  
22 30, 2001.